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# 1

## Introduction to Development Application Processing (DAP)

### **Overview**

Development Application Processing (DAP) is an automated underwriting system that supports processing and tracking of HUD Multifamily Housing applications from pre-application through final closing. As an approved lender, you will be able to use the DAP system for Multifamily Accelerated Processing (MAP).

The current release of DAP comprises five basic modules or subsystems: Tracking, Architectural and Engineering (A&E), Cost, Valuation, and Mortgage Credit.

### **Key Points**

The purpose of this chapter is to provide you with an overview of the DAP User's Guide and to instruct you on how to navigate the DAP system. The following topics are covered in the guide:

- Using DAP;
- Tracking an application;
- Making assignments;
- Executing an A&E Analysis;
- Creating a Cost Analysis;
- Appraising a Project using Valuation; and,
- Preparing an Underwriting Recommendation using Mortgage Credit.

## 1.1 Overview of the DAP System for Lenders

This overview explains the basic structure of the DAP system, the programs currently supported, the benefits of DAP, and the objectives of this guide. Chapter 2, Getting Started, discusses information on starting, entering, and exiting the system as well as navigating the windows, tabs, toolbars, and menu options in DAP. Chapter 3, Entering and Tracking an Application, discusses detailed instructions for entering and tracking MAP applications in DAP. Instructions for completing an A&E Analysis, Cost Analysis, Valuation appraisal and Mortgage Credit underwriting analysis are found in Chapters 4 through 7, with Reports detailed in Chapter 8.

A Multifamily Accelerated Processing (MAP) User Guide is available on HUD's Homepage. To access this guide, enter the URL <http://www.hud.gov/fha/mfh/map/dapug/dapug.html> or complete the following steps:

1. Establish a connection to the Internet;
2. Access HUD's Homepage ([www.hud.gov](http://www.hud.gov));
3. Select the Multifamily industry link from the Housing Industry section of the *selections just for you* column;
4. Under General Info, select the Multifamily Accelerated Processing (MAP).
5. From the bulleted list, select DAP Guide for MAP Lenders. Bookmark this page for quick access in the future.

Please note that updates to the HUD website may alter the navigation path. If you have any questions or difficulties locating the User Guide, please contact the Help Desk at 202-755-0335.

### 1.1.1 DAP Structure

DAP is based on a hierarchical structure of projects, applications, phases, and assignments. A *project* is defined as a Multifamily housing or health care facility, built or proposed under a Section of the Housing Act. DAP assigns each project application a Proj/FHA Number at the Firm phase. Project applications include properties, participants, and associated documentation. To monitor project progress, the DAP user identifies the phase (such as pre-application or firm). Assignments are part of the phase structure. In DAP, discipline assignments can be tasked to specific subcontractors or lender staff personnel to complete the processing, while continuing to track a MAP application.

### 1.1.2 DAP Modules

DAP subsystems include Tracking, A&E, Cost Analysis, Valuation, and Mortgage Credit. Tracking is entry point for applications. The A&E subsystem incorporates the physical characteristics of each property, structure type, and unit type in a project. The Cost Analysis subsystem supports the analysis and validation of hard costs associated with a project. Valuation supports the appraisal process associated with a project. Mortgage Credit evaluates the credit and financial reports of a participant and prepares an underwriting recommendation of a project. For A&E, Cost, Valuation, and Mortgage Credit, this guide documents the *Firm* phase.

### **1.1.3 Programs Supported by DAP**

DAP currently supports tracking and processing for the following in MAP:

#### **Tracking and Technical Processing:**

- Multifamily Rental Housing for Moderate Income Families (Section 221(d)(4))
- Multifamily Rental Housing for Moderate Income Families (Section 221(d)(3))
- Existing Multifamily Rental Housing (Section 223(f))
- Urban Renewal Housing (Section 220)

### **1.1.4 Benefits of DAP**

DAP is a flexible system for processing MAP applications. The system promotes effective use of available lender resources with location-neutral processing, while providing the ability to electronically submit MAP applications directly to HUD. DAP electronically tracks relationships between the discipline subsystems to ensure required information has been entered. The system automatically performs complex calculations and eliminates repetitive data entry. This will minimize errors and save valuable time. DAP enables you to review processed reports on screen, as well as print-outs of each report.

### **1.1.5 Guide Objectives**

The primary objective of the DAP User Guide for MAP Lenders is to provide instructions on how to navigate through DAP, allowing a seamless transition from the current paper-driven application process to electronic processing and submission. By the end of this guide users will be able to:

- Process a MAP application in DAP
- Track an application and make staff assignments with DAP
- Complete an A&E analysis with DAP (Firm)
- Complete a Cost analysis with DAP (Firm)
- Complete a Valuation appraisal with DAP (Firm)
- Complete an underwriting recommendation using Mortgage Credit with DAP (Firm)

After technical processing is completed for each of the disciplines, lenders will be able to use DAP to submit the completed application package electronically to HUD.

## **NOTES:**